

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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In re:

PROMESA
Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO,
et al.

(Jointly Administered)

Debtors.¹

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ORDER DIRECTING SUPPLEMENTAL BRIEFING OF
MOTION REQUESTING RELIEF OF STAY UNDER SECTION 362(D)(1) OF THE BANKRUPTCY CODE

The Court has reviewed the *Motion Requesting Relief of Stay Under 362(D)(1) of the Bankruptcy Code* (the “Motion”) filed by Gladys Garcia Rubiera (the “Movant”) on February 7, 2018. (Docket Entry No. 2434.). On February 21, 2018, the Commonwealth filed an objection (“the Objection”) to the Motion. (Docket Entry No. 2570.) On February 26, 2018, the Movant filed a reply (“Reply”) to the Objection. (Docket Entry No. 2592.) Having reviewed the Motion, Objection and Reply, the Court requires additional input from the parties to address issues raised by the Motion.

The parties are directed to brief supplementally the following issues: (i) whether and to what extent the Commonwealth has “established and complied with” a constitutionally sufficient notice and reimbursement procedure consistent with the 2013 First Circuit decision, Garcia-Ruberia v. Fortuno, 772 F.3d 102 (1st Cir. 2013); (ii) whether and to what extent there

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

remain potential refund monies that have neither been claimed nor escheated pursuant to Act 230; (iii) whether any such funds have been held apart from the Commonwealth's General Fund for application to liabilities under the class settlement; and (iv) whether partial relief from stay to permit the parties to seek determinations from the district court on any or all of these issues is appropriate.

Section 362(e)(1) of the Bankruptcy Code provides that: "Thirty days after a request under subsection (d) of this section for relief from the stay of any act against property of the estate under subsection (a) of this section, such stay is terminated with respect to the party in interest making such request, unless the court, after notice and a hearing, orders such stay continued in effect pending the conclusion of, or as a result of, a final hearing and determination under subsection (d) of this section If the hearing under this subsection is a preliminary hearing, then such final hearing shall be concluded not later than thirty days after the conclusion of such preliminary hearing, unless the 30-day period is extended with the consent of the parties in interest or for a specific time which the court finds is required by compelling circumstances." Because of the need for additional information, the Court finds compelling circumstances to extend the automatic stay for 30 days from the date hereof to enable the parties to brief the foregoing questions and the Court to address the issue of stay relief in light of additional input from the parties. Having made these preliminary determinations, the Court will render a final determination within such 30-day period.

The Movant and the Commonwealth are directed to file simultaneous supplemental briefs and declarations addressing the above issues by **March 16, 2018 at 5:00 p.m. (Atlantic Standard Time)**. The Movant and the Commonwealth are directed to file simultaneous supplemental replies by **March 23, 2018 by 5:00 p.m. (Atlantic Standard Time)**. Counsel for the parties are encouraged to confer with each other in advance of the submissions in an effort to clarify the manner in which the issues will be addressed and, if possible, to resolve the Motion consensually.

The Court will take the Motion on submission.

SO ORDERED.

Dated: March 9, 2018

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge